Division of Securities Utah Department of Commerce 160 East 300 South Box 146760 Salt Lake City, UT 84114-6760

Telephone: (801) 530-6600 FAX: (801) 530-6980

## BEFORE THE DIVISION OF SECURITIES OF THE DEPARTMENT OF COMMERCE OF THE STATE OF UTAH

## IN THE MATTER OF:

**ANTHONY GONZALES (GREY)** 

Respondent.

STIPULATION AND CONSENT ORDER

Docket no. SD-02-0069

The Utah Division of Securities, (Division), by and through its Director of Enforcement, Michael Hines, and Anthony Gonzales (Gonzales or Respondent) hereby stipulate and agree as follows:

- Gonzales was the subject of an investigation conducted by the Division into allegations
  that Gonzales violated certain provisions of the Utah Uniform Securities Act (the Act),
  Utah Code Ann. § 61-1-1, et seq, as amended.
- 2. In connection with that investigation, on April 11, 2002, the Division issued an Order to Show Cause to Gonzales.
- 3. On March 4, 2003, the Division entered a Default Order against Gonzales for failure to reply to the Order to Show Cause, which included a fine of \$5,000.

- Gonzales and the Division have agreed to settle this matter by way of this Stipulation and Consent Order.
- Gonzales admits the jurisdiction of the Division over Gonzales and over the subject matter of this action.
- 6. Gonzales waives any right to a hearing to challenge the Division's evidence and present evidence on Gonzales' behalf.
- 7. Between June 2001 and November 2002, the Division conducted an investigation into this matter that revealed the following:
  - E-Views Safety Systems, Inc. (E-Views) registered as a Nevada corporation on
     October 19, 1998, and its principal place of business is in Agoura Hills,
     California. E-Views is in the business of designing specialized systems for
     improving transportation safety and efficiency.
  - Anthony Gonzales resides in Tarzana, California. At all times relevant to this action Gonzales acted as an agent of E-Views.
  - c. During a January 2001 phone conversation, Gonzales offered to sell common stock in E-Views to Utah resident, Investor, for \$3.00 per share. Gonzales told Investor that an investment in E-Views was a "sure thing" and that the company stock would soon be sold publicly at a higher price. Gonzales told Investor she would have to purchase the stock quickly to avoid the upcoming increase in price.
  - d. Gonzales mailed Investor a purchaser questionnaire to determine if Investor was an accredited investor.

- e. Gonzales telephoned Investor soon after mailing her the questionnaire to help her fill it out. Investor told Gonzales that she did not qualify to invest in E-Views because she was a school teacher and did not have sufficient income or net worth.

  Investor also told Gonzales she had very little investment experience.
- f. Gonzales told Investor to leave certain questions on the questionnaire blank, mail the questionnaire back to Gonzales, and he would fill them in for her.
- g. On or about January 17, 2001, Investor mailed her investment and the questionnaire to Gonzales, and thereby purchased 10,000 shares of E-Views common stock.
- h. Gonzales is not now, nor has he ever been, licensed to sell securities in Utah.
- i. As of the date of this Stipulation and Consent Order, E-Views is not, and never has been, a publicly traded company.
- 8. Based on the Division's investigative findings, the Division concludes that:
  - a. The E-Views stock offered by Gonzales is a security as defined in § 61-1-13 of the Act;
  - b. Gonzales violated § 61-1-1 of the Act by making misrepresentations and omissions of material fact in connection with the offer of a security; and
  - c. Gonzales violated § 61-1-3 of the Act by selling securities in Utah without a license.
- 9. Gonzales neither admits nor denies the substance of the Division's investigative conclusions, but consents to the Division entering an Order:

- a. Requiring Gonzales to cease and desist from engaging in any further conduct in violation of the Utah Securities Act:
- b. Requiring that Gonzales pay a reduced fine of one-thousand dollars (\$1,000) to the Division of Securities, and five-hundred dollars (\$500) to the Utah Office of State Debt Collection for collection fees, no later than Tuesday, February 28, 2006. As part of this Stipulation, the Division has agreed to waive \$3,500 of the previously entered fine; and
- Replacing the Default Order entered against Anthony Gonzales on March 4, 2003,
   with the Order accompanying this Stipulation.
- 10. Gonzales acknowledges that this Stipulation and Consent Order, upon approval by the Division Director, shall be the final compromise and settlement of this matter. Gonzales further acknowledges that if the Division Director does not accept the terms of the Order, it shall be deemed null and void and without any force or effect whatsoever.
- 11. Gonzales acknowledges that the Order does not affect any civil or criminal causes of action that third parties potentially might have against Gonzales arising in whole or in part from Gonzales' actions.
- 12. This Stipulation constitutes the entire agreement between the parties herein and supersedes and cancels any and all prior negotiations, representations, understandings, or agreements between the parties. There are no verbal agreements which modify, interpret, construe, or otherwise affect this Stipulation in any way.
- 13. Violation of the Order accompanying this Stipulation constitutes a third degree felony pursuant to § 61-1-21(1) of the Act.

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Department of Commerce Division of Securities

14. Gonzales has read this Stipulation, understands its contents, and enters into this Stipulation voluntarily. No promises or threats have been made by the Division, nor by any member, officer, agent, or representative of the Division, other than as contained herein, to induce Gonzales to enter into this Stipulation.

Utah Division of Securities

Date:

By:

Michael Hines

Director of Enforcement

Respondent

Date:

By:

Anthony Conzales

Approved:

Total Divolence

Assistant Attorney General

## ORDER

Pursuant to the terms of the Stipulation defined above, the Director of the Utah Division of Securities hereby orders that:

- Anthony Gonzales cease and desist from engaging in any further conduct in violation of the Utah Securities Act;
- Anthony Gonzales pay a reduced fine of one-thousand dollars (\$1,000) to the
   Division, and five-hundred dollars (\$500) to the Utah Office of State Debt
   Collection for collection fees, no later than Tuesday, February 28, 2006; and
- c. This Order supercedes and replaces the Default Order entered against Anthony Gonzales on March 4, 2003.

DATED this 10th day of February, 2006.

WAYNE KLEIN

Director, Utah Division of Security

CERTIFICATE OF MAILING	
I hereby certify that on the 13th	day of <u>February</u> 2006, I mailed, regular mail, a
copy of the foregoing Stipulation and Consent Order to:	
Anthony Gonzales 18653 Venture Boulevard Apt 236 Tarzana CA 91356-4103	Ramana Radaush Executive Secretary